

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDINGFEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICEApproved by OMB
3060-0589
Page No. 1 of 1

(1) LOCKBOX # 358145

SPECIAL USE

FCC USE ONLY

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card)
Citizens Telecom Services Company LLC(3) TOTAL AMOUNT PAID (U.S. Dollars and cents)
\$860.00(4) STREET ADDRESS LINE NO. 1
3 High Ridge Park

(5) STREET ADDRESS LINE NO. 2

(6) CITY
Stamford(7) STATE
CT(8) ZIP CODE
06905(9) DAYTIME TELEPHONE NUMBER (include area code)
585-777-6401

(10) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED

(11) PAYER (FRN)

0005042149

(12) PAYER (TIN)

06-1460891IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)(13) APPLICANT NAME
Citizens Telecommunications Company of North Dakota(14) STREET ADDRESS LINE NO. 1
2378 Wilshire Boulevard

(15) STREET ADDRESS LINE NO. 2

(16) CITY
Mound(17) STATE
MN(18) ZIP CODE
55364(19) DAYTIME TELEPHONE NUMBER (include area code)
952-491-5564

(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED

(21) APPLICANT (FRN)

0004340931

(22) APPLICANT (TIN)

06-1557680

COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(23A) CALL SIGN/OTHER ID

(24A) PAYMENT TYPE CODE

(25A) QUANTITY

CUT**1**

(26A) FEE DUE FOR (PTC)

\$860.00

(27A) TOTAL FEE

\$860.00

FCC USE ONLY

(28A) FCC CODE 1

(29A) FCC CODE 2

(23B) CALL SIGN/OTHER ID

(24B) PAYMENT TYPE CODE

(25B) QUANTITY

(26B) FEE DUE FOR (PTC)

(27B) TOTAL FEE

FCC USE ONLY

(28B) FCC CODE 1

(29B) FCC CODE 2

SECTION D - CERTIFICATION

(30) CERTIFICATION STATEMENT

I, John Adams, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief. SIGNATURE John Adams DATE 09-25-02

SECTION E - CREDIT CARD PAYMENT INFORMATION

(31)

MASTERCARD/VISA ACCOUNT NUMBER

EXPIRATION
DATE:☐ MASTERCARD☐ VISA

I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s)/authorization herein described.

SIGNATURE _____ DATE _____

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Citizens Telecommunications Company)	
of North Dakota)	
)	
and)	
)	
Reservation Telephone Cooperative)	
)	
Petition for Approval of a Streamlined)	
Transfer of Control Pursuant to)	
Sections 63.03 and 63.04 of the)	
Commission's Rules)	

**JOINT PETITION FOR APPROVAL OF A STREAMLINED
TRANSFER OF CONTROL**

Citizens Telecommunications Company of North Dakota ("Citizens-ND") and
Reservation Telephone Company ("RTC") (collectively, the "Petitioners"), by their attorneys,
hereby request approval, pursuant to Sections 63.03 and 63.04 of the Commission's Rules, of the
sale, as a streamlined transfer of control, of Citizens-ND's Alexander and Watford City, North
Dakota exchanges to RTC.

1. The name, address and telephone number of each applicant

Citizens Telecommunications Company of North Dakota
2378 Wilshire Blvd.
Mound, Minnesota 55364
Attention: Kevin Saville
952-491-5564

Reservation Telephone Cooperative
24 North Main Street
Parshall, ND 58770
Attention: Royce Aslakson
701-862-3115

- 2 The government, ~~state~~, or territory under the laws of which each ~~corporate~~ or partnership applicant ~~is organized~~

Citizens-ND is ~~a Delaware~~ corporation.

RTC is a North Dakota cooperative.

3. **The name**, title, ~~post office~~ address, and telephone number of ~~the officer~~ or contact person, such ~~as legal~~ counsel, ~~to~~ whom correspondence concerning the application is ~~to be~~ addressed

Citizens-ND:

John B. Adams
Kraskin, Lesse & Cosson, LLP
2120 L Street, N.W., Suite 520
Washington, D.C. **20037**
202-296-8890 Telephone
202-296-8893 Fax

RTC:

Benjamin H. Dickens, Jr.
Mary J. Sisak
Blooston, Mordkofsky, Dickens,
Duffy & Prendergast
2120 L Street. NW, Suite 300
Washington, DC 20037
(202) 659-083

4. **The name**, address, citizenship and ~~principal~~ business of any ~~person or entity that~~ directly or indirectly owns at least ten (10) percent of the **equity** of the **applicant**, and the percentage of **equity owned** by each of **those entities** (to the nearest one (1) percent)

Citizens-ND is ~~a~~ wholly owned subsidiary of Citizens Communications Company, a Delaware corporation having its principal place of **business at 3 High Ridge Park, Stamford, CT 06095**. Citizens Communications ~~Company~~ is ~~a~~ publicly traded corporation in which ~~no~~ individual or entity **owns an equity interest** of ten percent or more.

RTC is a North Dakota telephone cooperative **owned** by its members. **No** individual member **owns** ten (10) percent or more of the cooperative.

Certification pursuant to **47 C.F.R. sections 1.2001 through 1.2003** **that** no party to this application is subject to a denial of Federal benefits pursuant to **section 5301** of the Anti-Drug Abuse Act of **1988. See 21 U.S.C. § 853**

Citizens-ND and RTC certify, pursuant to Sections **1.2001 through 1.2003** of the Commission's **Rules**, that neither they, nor any of their **affiliates**, within the meaning of Section **3(1)** of the Communications Act of **1934. as amended. are** subject to a denial of Federal benefits pursuant to **section 5301** of the **Anti-Drug Abuse Act of 1988. 21 U.S.C. § 853.**

Description of ~~the~~ transaction

A. Background

The Commission ~~previously has~~ approved ~~three~~ other transactions in which Citizens-ND is selling ~~five~~ exchanges in North ~~Dakota.~~¹ Now, Citizens-ND is in the process of selling the last ~~three~~ exchanges it **owns** in North ~~Dakota.~~ **Two** of those exchanges, Alexander and Watford City, are being sold to RTC and one exchange, Williston, North Dakota, is being sold to Missouri Valley Communications, Inc. **As** discussed in Section **12**, below, these ~~three~~ exchanges **are** being sold because they **can be** operated more efficiently by **other** incumbent LECs. Upon consummation of these ~~transactions.~~ Citizens-ND will have ~~divested~~ itself of all of its incumbent local exchange operations in North Dakota. Further, neither Citizens-ND nor any of its affiliates

¹ **See Domestic Section 214 Application Filed for Consent to Transfer Control of Local Exchange Assets from Citizens Telecommunications Company of North Dakota to Red River Telecom, Inc., Public Notice, WC Docket 02-193, DA 02-1810 (released July 25, 2002); Domestic Section 214 Application Filed for Consent to Transfer Control of Local Exchange Assets from Citizens Telecommunications Company of North Dakota to Dickey Rural Access, Inc., Public Notice, WC Docket 02-193, DA 02-1809 (released July 25, 2002); and Domestic Section 214 Application Filed for Consent to Transfer Control of Local Exchange Assets from Citizens Telecommunications Company of North Dakota to Polar Telecommunications, Inc., Public Notice, WC Docket 02-193, DA 02-1811 (released July 25, 2002).** All three petitions were deemed granted pursuant to 47 C.F.R. § 63.03(a) on the 31st day following release of the Public Notices.

will provide competitive local exchange operations in any of the exchange areas being sold in this transaction.

B. The transactions that are the subject of this application

Citizens-ND is selling two exchanges, Alexander and Watford City to RTC. This transaction includes all assets, except those specifically excluded by the Purchase and Sale Agreement between the parties, associated with those exchanges. The transaction, “involves only the transfer of the local exchange assets of an incumbent LEC by means other than an acquisition of corporate control.” See Section 63.03 (b) (1) (iii) of the Commission’s Rules. Upon consummation of this transaction, RTC will become an incumbent LEC in the Alexander and Watford City, North Dakota exchange areas.

7. Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area

The Alexander exchange is located in Alexander, North Dakota, a rural area. The Alexander exchange serves approximately 236 access lines. The exchange serves portions of McKenzie County, North Dakota, a county with a population of 5,737. The major town and their population served by the exchange is Alexander, with a population of 217.

The Watford City exchange is located in Watford City, North Dakota, a rural area. The Watford City exchange serves approximately 1,113 access lines. The exchange serves portions of McKenzie County, North Dakota, a county with a population of 5,737. The major town and their population served by the exchange is Watford City, with a population of 1,435.

Citizens-ND, an incumbent LEC, provides a full range of residential and business local exchange, switched and special access, custom calling, and information services in the

exchanges that ~~are~~ being sold to RTC. RTC will provide comparable services when it ~~takes~~ ownership of the Alexander and Watford City exchange areas.

8. **A statement as to how the application fits into one or more of the presumptive streamlined categories in Section 63.03 or why it is otherwise appropriate for streamlined treatment**

This transaction qualifies for ~~presumptive~~ streamline treatment because it “involves only the transfer of the local exchange assets of an incumbent **LEC** by means other than an acquisition of control.” **See** Section **63.03** (b) (1) (iii) of the Commission’s Rules.

9. **Identification of all other Commission applications related to the same transaction.**

None

10. **A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure**

Neither party is facing imminent business failure. Accordingly, no special consideration of this application on this ground is requested.

11. **Identification of any separately filed waiver requests being sought in conjunction with the transaction**

On September 24, 2002, Citizens-ND and RTC filed a joint petition seeking “study area waivers” and other waivers pursuant to **Section 61.41** (c) and (d) (rate of return) and **Section 69.605** (c) of the Commission’s Rules (NECA carrier common line **tariff**).

12. **A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets**

Citizens-ND acquired the North Dakota exchanges that are the subject of this transaction from Qwest on **October 30, 2000**. The North Dakota acquisition ~~were~~ part of a larger series of transactions in which the Citizen? Communications Companies ~~were~~ acquiring rural local exchange operations from Qwest throughout the Western states. The North Dakota transaction

involved small "islands" of exchanges in the State **as** part of a much larger **series** of transactions that would allow the Citizens Communications Companies to create cohesive and viable regional operations in the West. However, the larger **series** of transactions was ultimately **aborted**, thereby making it **extremely difficult to** achieve regionalized economies of scale with the two small North Dakota exchange **areas that** Citizens-North Dakota **has** contracted to sell.


Insofar **as** the Alexander and Watford City exchanges **are concerned**, RTC is an established incumbent **LEC** already operating in **an** adjacent exchange **area**. RTC is **geographically** and operationally **situated** to **operate** these small exchanges in a highly efficient manner **as** a **natural** extension of its existing operations. The exchanges will **become an** integral part of the operations of **an** experienced **"North Dakota" carrier**. Accordingly, the public convenience and **necessity** will **be served** by **a** grant of **this** petition.

Conclusion

For the reasons stated herein, the parties request that the Commission accord this joint petition presumptive streamlined treatment status and, upon due considerations of the facts before it, issue an order approving the transaction.

Respectfully submitted,

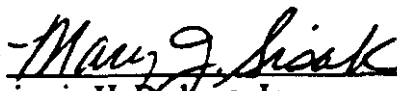
CITIZENS TELECOMMUNICATIONS
COMPANY OF NORTH DAKOTA

By 
John B. Adams

Kraskin, Lesse & Cosson, LLP
2120 L Stmt, N.W., Suite 520
Washington, D.C. 20037
Tel. - 202-296-8890
Fax - 202-296-8893

Its Attorney

RESERVATION TELEPHONE
COOPERATIVE

By 
Benjamin H. Dickens, Jr.
Mary J. Sisak

Blooston, Mordkofsky, Dickens,
Duffy & Prendergast
2120 L Street, NW, Suite 300
Washington, DC 20037
(202) 659-0830

Its Attorneys

This 25th day of September, 2002.